

Amendments to the Specification

Please amend the last paragraph on page 7 (lines 19-28) as follows:

In a further embodiment of the invention, an extractor for extracting an embedded scrambled data sequence from a received watermarked signal is provided. A scrambler is provided for generating a plurality of scrambled data sequences at the decoder. A processor for comparing the extracted scrambled data sequence with the plurality of scrambled data sequences generated at the decoder is provided. The processor determines whether any of the scrambled data sequences generated at the decoder match, within predefined parameters, the extracted data sequence. The embedded scrambled data sequence is selected from a plurality of ~~codes~~ scrambled data sequences generated by scrambling the watermarking data with each code from a code set, based on a comparison with a host signal.

Please amend the last paragraph on page 8 (lines 5-15) as follows:

A further embodiment of the invention provides additional methods and apparatus for recovering watermarking data from a watermarked signal. An extractor is provided for extracting an embedded scrambled data sequence from a received watermarked signal. A scrambler for further scrambling the extracted scrambled data sequence with codes from a code set to provide a plurality of unscrambled data sequences is provided. A channel decoder is provided for error-decoding each of the unscrambled data sequences and determining which of the error-decoded unscrambled data sequences is a valid watermarking sequence. The embedded scrambled data sequence is selected from a plurality of ~~codes~~ scrambled data sequences generated by scrambling error-encoded watermarking data with each code from a code set, based on a comparison with a host signal.